

UNITED STATES BANKRUPTCY COURT
DISTRICT OF RHODE ISLAND

In re:

THE NEWPORT CREAMERY INC.
Debtor

BK. 01-13196
CHAPTER 7

NOTICE OF INTENDED SALE

1. Notice is hereby given by Andrew S. Richardson, trustee of the above-named debtor, of the intended sale of the furniture, fixtures, equipment and inventory owned by the debtor and located at the following stores: 1256 Warwick Avenue, Warwick, RI; 181 Bellevue Avenue, Newport, RI; Long Wharf Mall, Newport, RI; 296 County Road, Barrington, RI; 148 Warwick Mall, Warwick, RI; Belmont Shoppers Park, Wakefield, RI; President Avenue, Fall River, MA; Garden City Shopping Center, Cranston, RI; 8 Gooding Avenue, Bristol, RI, (collectively the "property"), free and clear of liens pursuant to 11 U.S.C. §363.

2. The trustee intends to sell to Jan Co., Inc. the above listed property for the price of \$20,000.00 per store for a total of \$180,000.00 cash.

3. To the best of the trustee's knowledge, the above property is encumbered by liens or security interests granted to GE Franchise Finance Corporation of America ("GE"). The lien of GE is subject to a bona fide dispute in that the trustee believes that the lien is avoidable as a fraudulent conveyance. See, generally, In re O'Day Corp., 126 B.R. 370 (Bankr. D. Mass. 1991). As a result the Trustee requests permission to sell the above described assets free and clear of liens pursuant to 11 U.S.C. §363(f)(4).

4. The trustee has determined that it is in the best interest of the debtor's estate to sell the above listed property to Jan Co., Inc., or its nominee, upon the terms and conditions outlined above.

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5. Any objection to the proposed sale, or any request for a hearing thereon, must be filed in writing on or before 5:00 P.M. on Tuesday, January 15, 2002 with the Clerk of the United States Bankruptcy Court, 380 Westminster Mall, Providence, RI 02903. A copy of any objection must be served by said date on the trustee, Andrew S. Richardson, Esq., 182 Waterman Street, Providence, RI 02906. Objections must be in writing, give the above debtor's name and the case number and state that the party filing it has an interest in the case and the reasons for the objection. If an objection is filed, the Bankruptcy Court will schedule a hearing on the matter.

6. The trustee will entertain any higher bids for the purchase of the asset of the debtor which the trustee proposes to sell. Such bids must be in writing and accompanied by a deposit of five percent (5%) of the proposed higher purchase price. Any higher bid must be received by the trustee at the address below no later than 5:00 P.M. on Tuesday, January 22, 2002. The private sale will be consummated as proposed in this Notice on or after January 22, 2002 if no objections and/or higher bids are received as stated above.



Andrew S. Richardson, Ch. 7 Trustee
Boyajian, Harrington & Richardson
182 Waterman Street
Providence, RI 02906
Tel. (401) 273-9600
Fax. (401) 273-9605

DATED: December 21, 2001